2025 REPORT

# OBSERVABILITY FORECAST

new relic

ASIA PACIFIC

Organisations across Southeast Asia, Australia, New Zealand, India, Japan, and South Korea shared how they are

# ADOPTING OBSERVABILITY AND ITS BUSINESS VALUE

**575**
IT leaders

**9+**
Countries

**$1B+**
Revenue for 19% of organisations surveyed

## OVERVIEW

Now in its fifth year, the *2025 Observability Forecast in Asia Pacific* offers a comprehensive view into the state of observability across the region. Drawing on insights from 575 technology professionals across nine countries, the report reveals common themes and differences in how observability is practiced throughout Asia Pacific.

The data paints a picture of growing maturity. All core observability practices now report deployment rates above 30%, with CI/CD-based software deployment emerging as the most widely adopted practice. Full-stack observability[1] (FSO) continues its upward trajectory with over a quarter (27%) of respondents reporting achieving FSO in 2025, up from 19% the previous year.

Capabilities across the board saw year-over-year growth, with notably high uptake of AI monitoring. This rapid adoption of intelligent tooling coincides with rising investment: the median annual spend on observability in the region is now $2 million.

At the same time, inefficiencies remain: one quarter (26%) of organisations still learn about service interruptions from outdated or manual processes, such as customer complaints or manual ticket filing.

The impact of full-stack observability is clear. The median cost of a high-impact outage in the region is $2 million per hour, while the median annual outage cost is $61 million. It's clear that observability—in particular full stack observability—makes a significant difference in reducing those costs, sometimes by as much as $1 million per hour.

Observability continues to drive year-over-year improvements in both mean time to detect (MTTD) and mean time to resolve (MTTR) for most respondents. Those with FSO report greater gains across a wide range of metrics, including reduced outage frequency, improved MTTD, lower outage costs, enhanced business outcomes, and improved quality of life for technical teams.

Overall, respondents in Asia Pacific are more likely to report positive changes in these areas than are respondents globally.

Still, challenges remain. Engineering teams continue to spend a substantial portion of their time addressing disruptions, with a median of 31%, down from 41% in 2024. This year, the number of observability tools used still remains high, at a median of 4 per organisation.

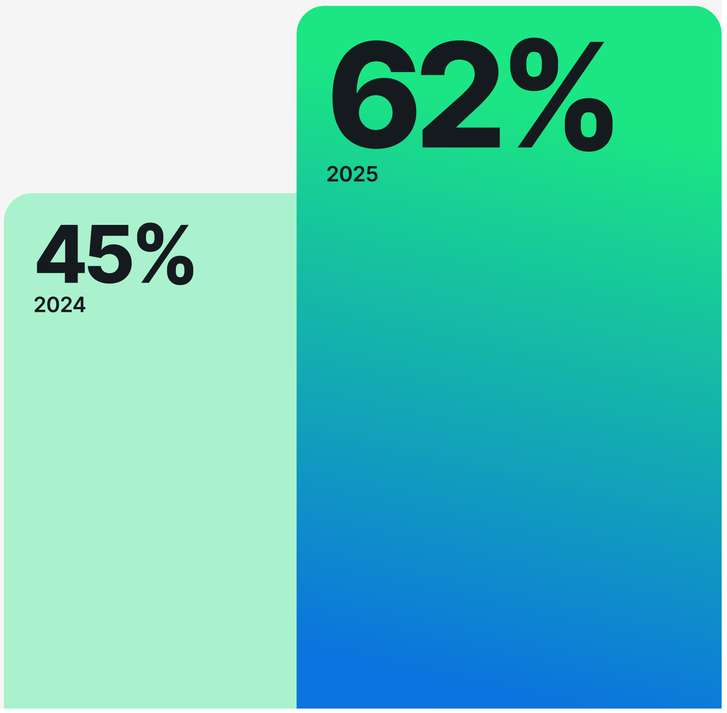
[1]For the purposes of this report, full-stack observability (FSO) is defined as having visibility across five key categories: infrastructure, applications and services, security monitoring, digital experience monitoring (DEM), and log management.

# KEY FINDINGS

## AI MONITORING

### AI monitoring deployment grew from 45% in 2024 to 62% in 2025.

The level of AI monitoring deployment exceeds the global average of 54%. Other leading uses of observability tools are network monitoring, which was deployed by 62% of respondents, and database monitoring, deployed by 61% of respondents. AI adoption is the top driver of observability in the Asia Pacific region, followed by security, risk, and compliance.




## COST OF DOWNTIME

**$2M USD/HR**

The median revenue cost per hour of downtime is $2 million for high-business-impact outages.

The financial cost of downtime in Asia Pacific is enormous, with almost three fifths (59%) saying that HBI outages cost their company more than $1 million per hour. Additionally, more than a third (35%) said that HBI outages occurred weekly, and 8% said outages happened daily.

## FULL-STACK OBSERVABILITY

**FSO cuts costs in half and reduces downtime frequency.** The median outage cost per hour for high-business-impact (HBI) outages for those with full-stack observability is $1 million, half of the $2 million per hour cost for those without FSO. It also reduces the frequency of outages: 39% of those without FSO experience outages at least weekly, compared to 25% of those with it.

Median outage cost (high business impact)


## BUSINESS IMPACT

**78%** report ROI

**Observability delivers significant return on investment.** With its ability to reduce the number of costly outages and reduce the time to detect them, it's no surprise that observability pays off. Almost four-fifths (78%) say that the value of observability is equal to or greater than its cost; most say its return on investment (ROI) is 1–3x, while a third (34%) say observability delivers a 2–3x ROI.

## TOOL CONSOLIDATION

**4** tools per organisation

**The number of observability tools continues to decline, now at a median of 4 per organisation.** The trend toward consolidation continues. The mean number of tools this year is 4.6, down from a mean of 4.9 in 2024, 5.5 in 2023, and 6.2 in 2022.

# ASIA PACIFIC HIGHLIGHTS

When we look at the results for each sub-region, the diversity in cultures and business practices across the broader Asia-Pacific region matters.

# ASEAN

**INDONESIA, MALAYSIA, SINGAPORE, AND THAILAND**

AI plays a strong role in observability in the Association of Southeast Asian Nations (ASEAN) countries. AI adoption is the region's strongest strategic driver, with a notable increase in deployment of AI monitoring. Additionally, observability is now seen as critical to AI readiness, with 69% saying it helps their organisation prepare for and manage AI application development and deployment.

# Australia and New Zealand

ANZ saw massive growth year-over-year in the deployment of key observability capabilities, with nearly 2X growth in database monitoring and alerting usage, and significant growth in the use of dashboards and AIOps. These figures point to a rapid and significant maturing of observability across ANZ. The region is also moving towards tool consolidation, with only 35% of respondents using five or more tools this year, compared to 57% in 2024.

# India

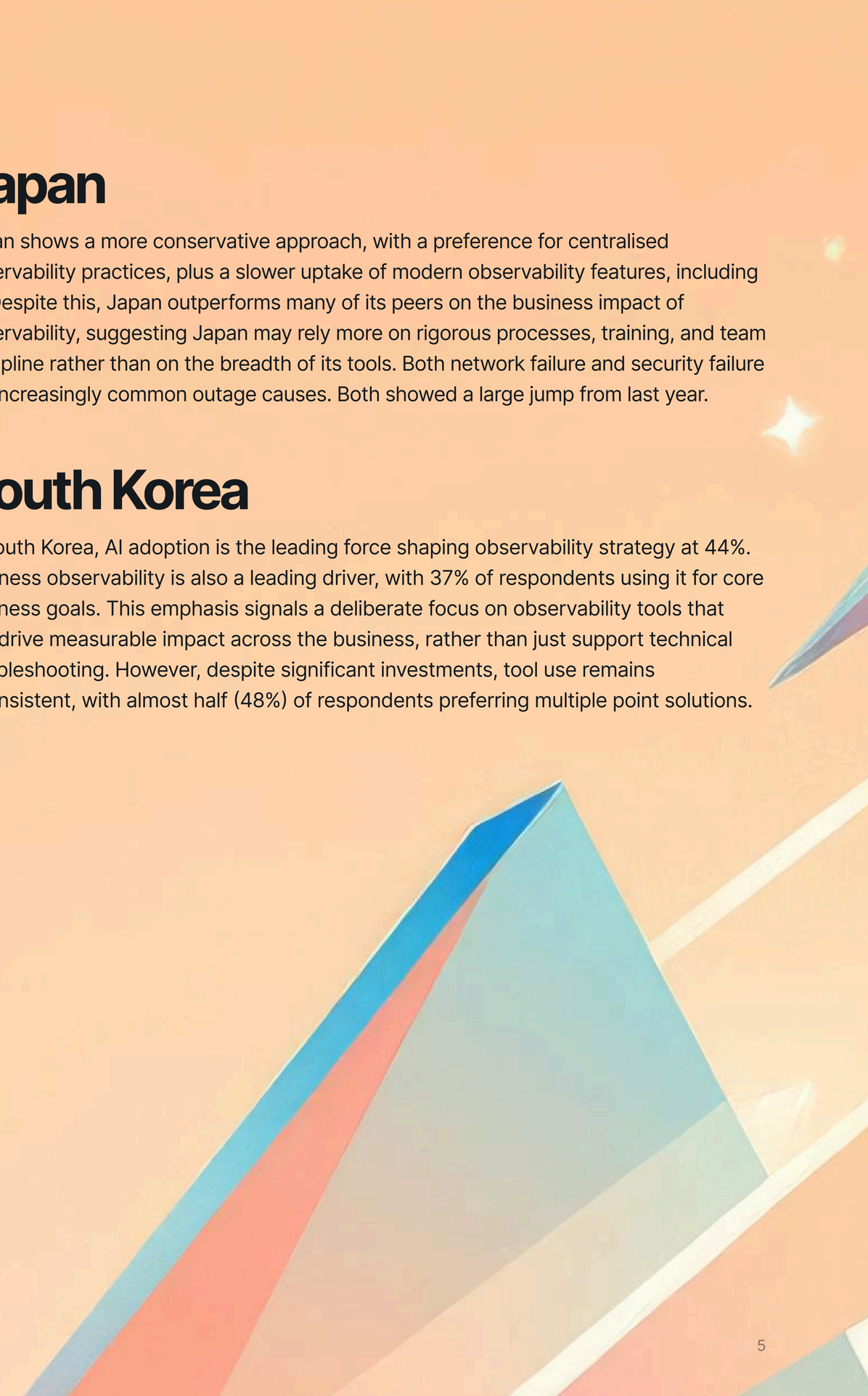
The need to observe AI is a dominant theme in India, and the use of AI is growing rapidly. Unsurprisingly, AI/ML-powered features top the list of vendor-selection criteria, while data integration and simplification of toolsets are also factors. The number of observability tools has decreased, consistent with tool integration being a growing priority. Observability is seen as a way to achieve core business goals, with 40% of respondents using it for this reason. This signals a maturing ecosystem moving toward broadly adopting FSO.

# Japan

Japan shows a more conservative approach, with a preference for centralised observability practices, plus a slower uptake of modern observability features, including AI. Despite this, Japan outperforms many of its peers on the business impact of observability, suggesting Japan may rely more on rigorous processes, training, and team discipline rather than on the breadth of its tools. Both network failure and security failure are increasingly common outage causes. Both showed a large jump from last year.

# South Korea

In South Korea, AI adoption is the leading force shaping observability strategy at 44%. Business observability is also a leading driver, with 37% of respondents using it for core business goals. This emphasis signals a deliberate focus on observability tools that can drive measurable impact across the business, rather than just support technical troubleshooting. However, despite significant investments, tool use remains inconsistent, with almost half (48%) of respondents preferring multiple point solutions.

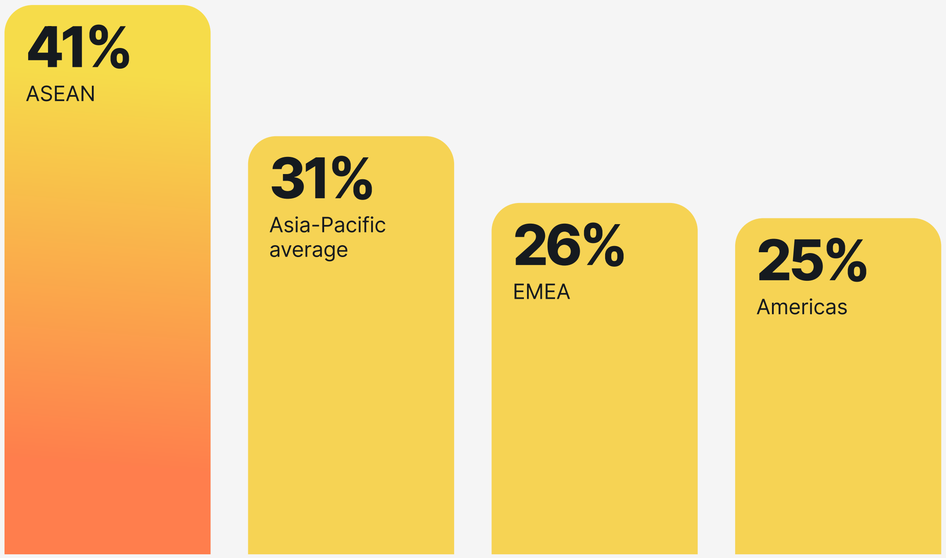


# ASEAN

**INDONESIA, MALAYSIA, SINGAPORE, AND THAILAND**

ASEAN nations exhibit a strong commitment to engineering time for observability. At 41%, ASEAN engineers spend more time on observability than the Asia Pacific average of 31%, and also higher than EMEA (26%) and the Americas (25%).

**Engineers' time spent on observability per region**




AI is a significant strategic driver for observability in ASEAN countries. 61% of ASEAN respondents consider AI adoption the top trend.

AI monitoring deployment has surged, with 83% of respondents deploying AI monitoring capabilities—more than double the 2024 figure of 39%, signaling rapid uptake and rollout of AI use cases.

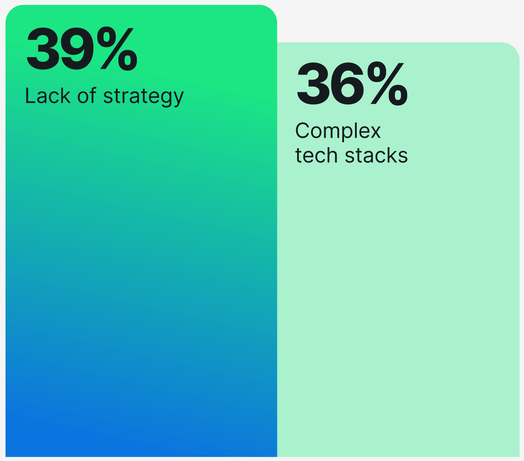
**61%**

say AI adoption is the top observability driver

Observability is now seen as critical to AI readiness across ASEAN, with 69% of respondents saying that observability helps them prepare for and manage AI application development, rising to 73% in Indonesia and 71% in Thailand.

## BIGGEST CHALLENGES

Challenges for ASEAN organisations include a lack of strategy (39%) and complex tech stacks (36%).




Tool sprawl and resistance to change are also prominent, with 27% reporting too many tools or siloed data and 28% citing internal resistance. While the regional median for tools is four, 31% somewhat prefer and 15% strongly prefer multiple point solutions—though Singapore (50%) and Thailand (60%) favor a single, consolidated platform. Data sprawl is extensive, with 24% of organisations using six or more telemetry data stores, the highest in Asia Pacific.

Outages and their associated costs pose significant challenges: 46% of organisations experienced high-business-impact outages at least weekly, and 1% experienced them daily. For 32% of respondents, these outages cost between $1-3 million per hour in lost revenue, with 8% not tracking costs. Over a quarter (28%) of outages took between 30 and 60 minutes to detect (MTTD), and 27% said it took them between 30 and 60 minutes to resolve the issue (MTTR).

The median annual cost for high-impact outages in ASEAN countries is

**$165.5M**

## DISTINCTIVE PRACTICES

Data integration is rapidly accelerating with 85% having a plan to integrate operations data (up from 50% in 2024), reaching 92% in Singapore. Production data integration is also increasing. Indonesia excels in reducing silos, with 70% attributing this to observability.

About half of respondents (49%) say observability improves cross-team collaboration around software stack decisions consistent with India and above global averages.

In keeping with the focus on AI, business leaders identified key AI-assisted features for improving incident response or observability:

→ Root cause analysis **39%**
→ AI-assisted remediation **37%**
→ AI-assisted troubleshooting **36%**

## ROI AND BENEFITS

Observability in ASEAN strongly aligns with business outcomes. In fact, 69% cite AI readiness as a benefit, while 61% say observability has enabled data integration. Collaboration and decision-making benefits (49%) reflect deepening cross-functional maturity.

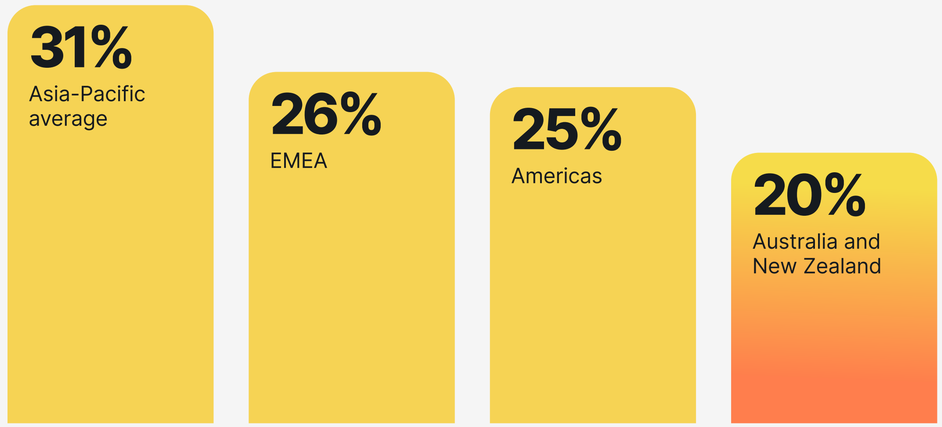
**3–5x ROI**

Observability investments are also paying off with 50% of executives and management across the region stating they receive a 3-5x ROI from observability.

# Australia & New Zealand

Organisations in Australia and New Zealand (ANZ) report the lowest engineering time spent on disruptions (median 20%), significantly lower than Asia Pacific (31%), EMEA (26%), and the Americas (25%), suggesting effective remediation.

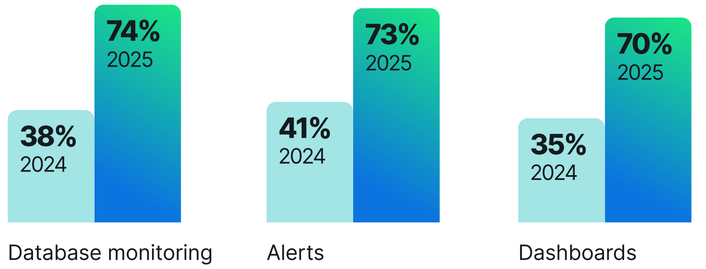
**Engineers' time spent on observability per region**




Observability in ANZ is often viewed as "insurance" (31% for incident response) rather than a business enabler (28% for core goals), counter to the broader Asia Pacific trend.

ANZ saw massive growth year-over-year in the deployment of key observability capabilities.

→ Database monitoring jumped from 38% in 2024 to 74% in 2025
→ Alerts rose from 41% in 2024 to 73% in 2025
→ Dashboards was at 70%, up significantly from 35% in 2024

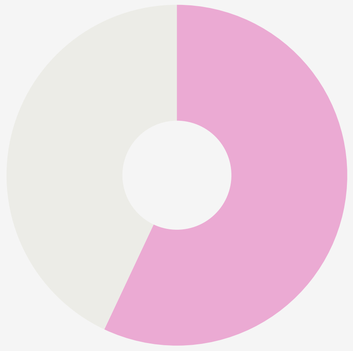



These figures point to a rapid maturing of observability across ANZ.

While AIOps lags (23% deployed), momentum is building with 38% planning deployment in the next 12 months, signaling growing interest in automation.

## BIGGEST CHALLENGES

Tool sprawl and fragmentation remain significant hurdles. While 35% of respondents in ANZ still use 5+ observability tools, only 5% rely on a single platform.



**2024**

**57%**

use 5+ observability tools

**2025**

**35%**

use 5+ observability tools

Additionally, 48% plan to consolidate their observability tooling within the next year, a notable increase from 31% in 2024. Preference for a single, unified platform is also rising, with 40% favoring this approach overall, and as many as 46% in New Zealand.

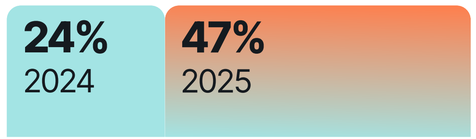
Still, decentralisation persists, with 81% using between two and five telemetry data stores. Without strong integration practices, this fragmentation can dilute the effectiveness of observability systems.

High-impact outages also pose a major risk: 25% of organisations experience them at least weekly, and 2% face them multiple times per day. For nearly a third of these cases, the cost exceeds $1–3 million per hour in lost revenue—and alarmingly, 10% of organisations aren't tracking the financial impact at all.

Some 21% of high-impact outages take between 30-60 minutes to detect (MTTD), and almost a quarter (23%) take a further 30-60 minutes to resolve (MTTR). For organisations experiencing these outages weekly, the median annual cost can exceed $24 million annually.

## DISTINCTIVE PRACTICES

Organisations across ANZ are rapidly adopting visibility tools to reduce downtime and improve system health. Using dashboards to report performance and health KPIs has nearly doubled, from 24% in 2024 to 47% in 2025.




Containerised log management is used by 43% of organisations, while synthetic monitoring jumped to 38%, up from just 8% the previous year.

Strategic priorities continue to shape investments, with 35% citing security, governance, and compliance as key drivers. AI adoption follows closely at 32%, with customer experience and cost management each noted by 26%.

## ROI AND BENEFITS

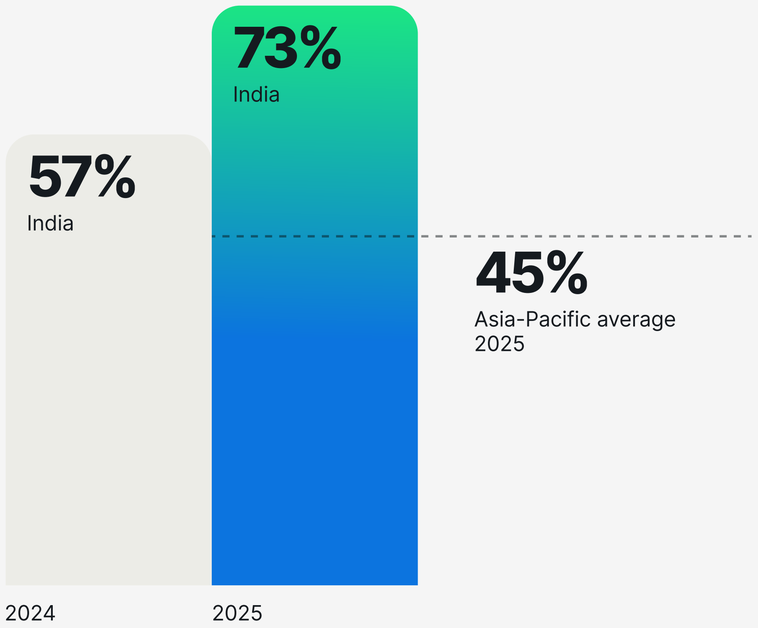
Organisations in ANZ are seeing consistently positive returns on their observability investments, with 32% reporting 2–3x ROI.

Executive leaders increasingly recognise the strategic value: 53% say observability helps them achieve business KPIs—up sharply from 38% in previous years. Another 38% say observability supports business strategy, and 28% credit it with helping them to meet technical goals.

On the practitioner side, the benefits are tactical yet meaningful: 45% report increased productivity due to faster issue resolution, while 32% say observability helps them prioritise their time, and another 32% say it simply makes their jobs easier.

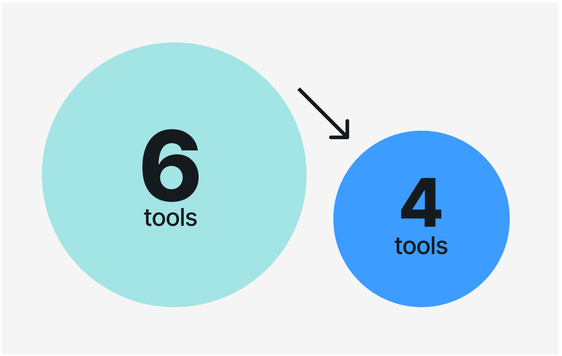
# India

The need to observe AI is a dominant theme in India, with rapid growth in AI use. Almost three-quarters of respondents (73%) have deployed AI monitoring, up from 57% in 2024, and well above the Asia Pacific average of 45%.




AI/ML-powered features are the top vendor selection criterion, indicating India's strong preference for automation and intelligent insights.

Data integration is accelerating. 62% of Indian respondents are already integrating or plan to integrate customer data with telemetry (up from 42% in 2024). Likewise 60% are doing the same for operations data (up from 47%), and 51% plan to integrate production data with telemetry (up from 36%). This level of integration signals a maturing ecosystem moving toward full-stack observability.




Meanwhile, unification of toolsets is underway. The median number of tools used is down to 4 (from 6 in 2024), aligning with the Asia Pacific and global medians. This suggests that consolidation efforts are bearing fruit.

Finally, observability is both a strategic and tactical priority in India. Notably, 41% use observability equally for core business goals and insurance, up from 25% in 2024.

**BIGGEST CHALLENGES**

## India's observability ecosystem is still wrestling with complexity and fragmentation. Nearly half of respondents (44%) cite a complex tech stack as their top challenge—a 9-point increase from 2024—while 33% say an excess of monitoring tools and siloed data are major blockers.

Additionally, 29% report that internal resistance to change is a major barrier to adopting full-stack observability. While these challenges mirror broader Asia Pacific patterns, they're especially acute in India's fast-growing, often heterogenous environments, where the complexity of the tech stack and siloed data complicate simplification efforts.

High-impact outages are both frequent and costly. Thirty-nine percent of organisations report experiencing major outages at least once a week, with 10% seeing them daily and 3% facing them multiple times per day. Over half of these high-impact outages (53%) take between 30-90 minutes to detect (MTTD) and (51%) take between 30-90 minutes to resolve (MTTR). The financial impact is steep: nearly half (45%) say disruptions cost their organisations $1–3 million USD per hour. The aggregate annual cost of high-impact outages for Indian organisations is $76M.

**DISTINCTIVE PRACTICES**

## Collaboration stands out as the top business outcome of observability. Almost three fifths (59%) of Indian respondents say observability improves cross-team collaboration around software stack decisions. That's the highest rate across all regions, compared to 46% globally and 47% in Asia Pacific overall.

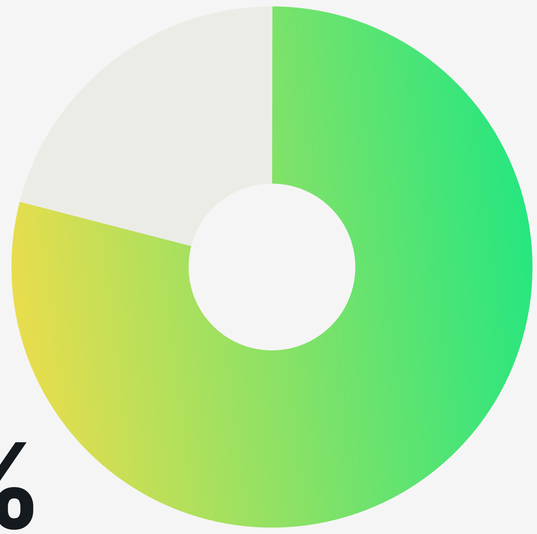
This commitment to collaboration is mirrored in India's widespread use of AI-strengthened features: 39% value automatic root cause analysis, 39% rely on AI-assisted remediation like rollbacks or configuration updates, and 39% use AI-assisted troubleshooting.

Taken together, these figures reflect a clear appetite for fast, scalable, and automated resolution workflows across teams and the full software stack.

**ROI AND BENEFITS**

## India is one of the regions with the highest spend on observability. Seventy-nine percent of organisations spend at least $1 million annually, with more than half (54%) investing between $3 and $5 million.

These investments appear to be paying off: 42% of respondents report 2–3x ROI, and half (51%) see 2–5x ROI. These results suggest not only growing maturity but also a strong track record of execution when it comes to observability strategy.

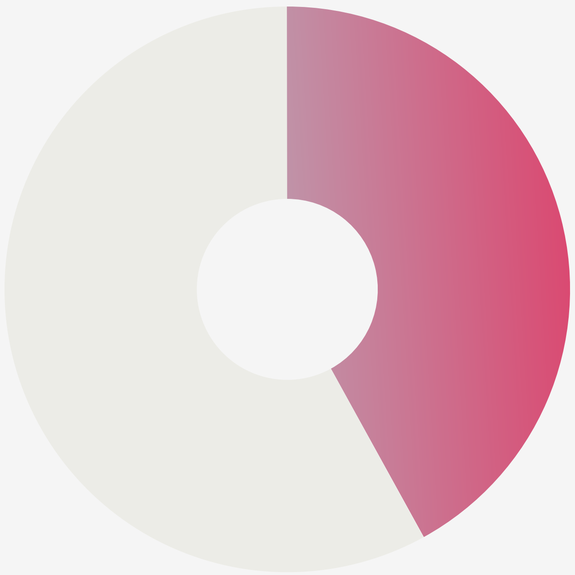


**79%**

**spend $1M+ annually on observability**

# Japan

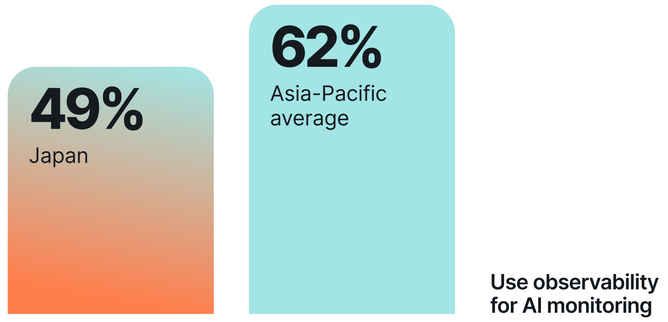
Japan shows a greater preference for centralised observability practices. In fact, 42% of Japanese respondents prefer a single observability platform, the highest rate in Asia Pacific. However, only 38% can query observability data on the fly, which is lower than the Asia Pacific average (40%) and the Americas average (50%).



**42%**

**prefer a single observability platform**

Organisations in Japan also report limited adoption of AI-related observability features. Japan's use of observability for AI monitoring is 49%, well below the Asia Pacific average of 62%. And AI-driven root cause analysis is of interest to just 28% of Japanese organisations.




This more limited deployment of the latest observability technologies is limits the business benefits Japanese organisations see from observability. While Japanese organisations report improvements in MTTR and MTTD, these numbers are lower than Asia Pacific averages:

→ **58%** report reduced MTTR

→ **59%** report reduced MTTD

## BIGGEST CHALLENGES

In Japan, the biggest challenges to full-stack observability are deeply rooted in organisational dynamics rather than technical limitations. Nearly half (48%) of respondents cite challenges relating to a lack of observability culture, including strategy or resistance to change. While Japanese companies generally prefer a consolidated approach, many still struggle with too many tools and siloed data with 32% reporting this as a barrier.

These rates are comparable to the Asia Pacific averages, but 33% of respondents reported lacking the skills to implement comprehensive observability, significantly higher than the Asia Pacific average of 20%.

**48%**
Lack of observability culture

**32%**
Too many tools and data silos

Outages also pose challenges. Almost a third of Japanese respondents (31%) experience HBI outages at least once per week, and over a third (38%) state they cost between $1-3 million per hour. The median annual cost of high-impact outages for Japanese organisations is $81 million.

**$81M**
Median annual cost of high-impact outages

## DISTINCTIVE PRACTICES

Japanese organisations are slightly less likely to employ proactive or real-time observability tools than their wider Asia Pacific peers. Exactly 38% report the ability to query data on the fly, while 31% automate portions of incident response, and only 43% report telemetry to a single pane of glass.

Additionally, just 42% of Japanese organisations use continuous integration/continuous deployment (CI/CD) software practices, compared to 58% of organisations in the broader Asia Pacific.

## ROI AND BENEFITS

Despite relatively modest tooling, Japan is seeing strong business outcomes from observability. Reduced MTTR and MTTD are significant benefits. Three-fifths (60%) see improved customer experience or reduced system downtime. Half (51%) also report that observability has helped unify previously siloed data stores, enabling greater integration.

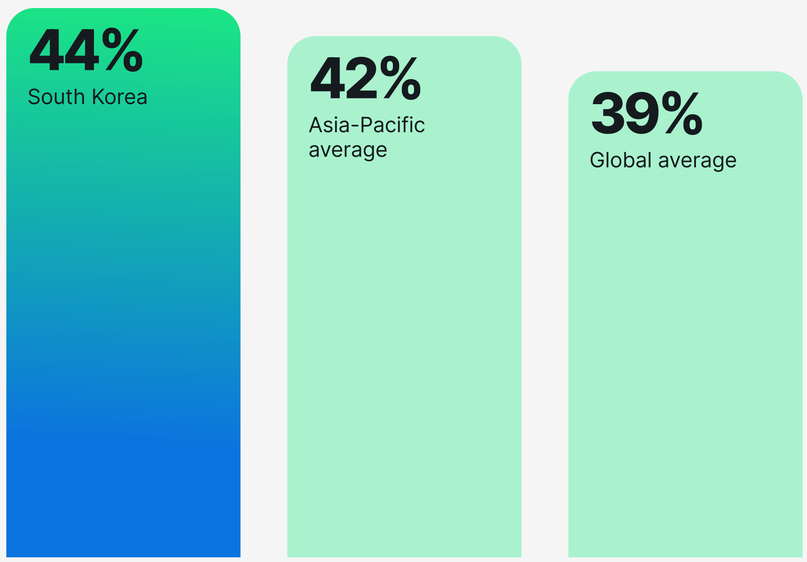
However, the perceived benefits diverge between roles: 53% of Japanese practitioners say observability makes them more productive and 40% say it helps eliminate guesswork. Executives, on the other hand, say that it helps them establish strategy (50%) and translate that strategy into tactical action (38%).

Overall ROI in Japan is strong, with 89% of respondents saying that observability has delivered positive ROI, higher than the Asia Pacific average of 81%. Respondents believe their investment delivers strong value relative to cost, placing the country above regional peers like Singapore and Australia.

# South Korea

In South Korea, AI adoption is the leading force shaping observability strategy. Almost half of respondents (44%) identify the need to observe AI as their top strategic driver for observability adoption, surpassing both Asia Pacific and global averages, reflecting the country's strong appetite for intelligent automation.

**AI-powered observability is a top strategic driver**




Business observability is also a central priority. The top vendor selection criterion among South Korean organisations is the ability to correlate business outcomes with telemetry data in real time.

This emphasis signals a deliberate focus on observability tools that can drive measurable impact across the business, rather than just support technical troubleshooting.

Despite a significant financial commitment—with a median annual observability spend of $2 million—tool usage appears inconsistent. Only 68% of South Korean respondents report using observability tools weekly or more, a rate lower than typical across Asia Pacific (79%). This gap suggests that while organisations are investing heavily, there may be missed opportunities in day-to-day engagement or adoption.

Unplanned outages in South Korea are increasingly tied to infrastructure and security failures. Network issues have become the leading cause, jumping from 27% in 2024 to 42% in 2025. At the same time, security failures rose from 26% to 39%, underscoring the growing complexity of IT environments and the rising importance of observability as a defense against disruption.

## BIGGEST CHALLENGES

In South Korea, complexity and skills gaps remain two significant challenges to observability maturity. Complex tech stacks are a major hurdle, say 43% of respondents, notably higher than the global average of 36%.

Double the global benchmark, 36% of respondents, name lack of skills as a pressing issue.

Together, these figures highlight a clear need for simplifying technical complexity and training to support adoption and operational success.

A disconnect exists in perceived value. Fully 30% of South Korean respondents say their organisation doesn't fully understand the value of observability—twice the global average of 15%.

**43%**
South Korea

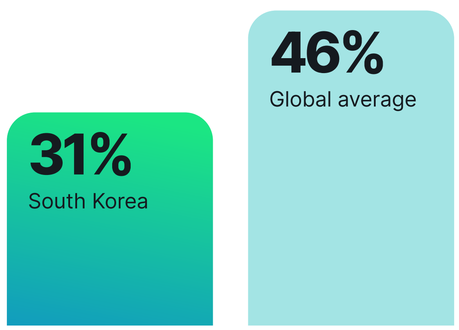


**36%**
Global average

## DISTINCTIVE PRACTICES

Fragmented telemetry remains a core issue. Only 31% of respondents unify their telemetry data into a single pane of glass, well below the global average of 46%. This lack of integration likely contributes to challenges around complexity and tool usage.

**Percentage of organisations that unify telemetry data**




South Korea also trails global peers in automation maturity: CI/CD practices are being used by just 44% of organisations (compared to 55% globally), and only 30% report using automated incident response (compared to 41% globally).

These lower adoption rates point to areas where South Korean teams could benefit from process modernisation and tooling alignment.

## ROI AND BENEFITS

The benefits that South Korean organisations are seeing align more with business impact rather than with technical performance.

More than a third (34%) report improved business or revenue growth and 33% cite cost optimisation, all positive business impacts of observability. Both of these figures are notably higher than the global averages of 23% and 24%, respectively.

Yet with relatively low weekly usage and lagging automation, these organisations likely haven't unlocked the full value of observability investments.

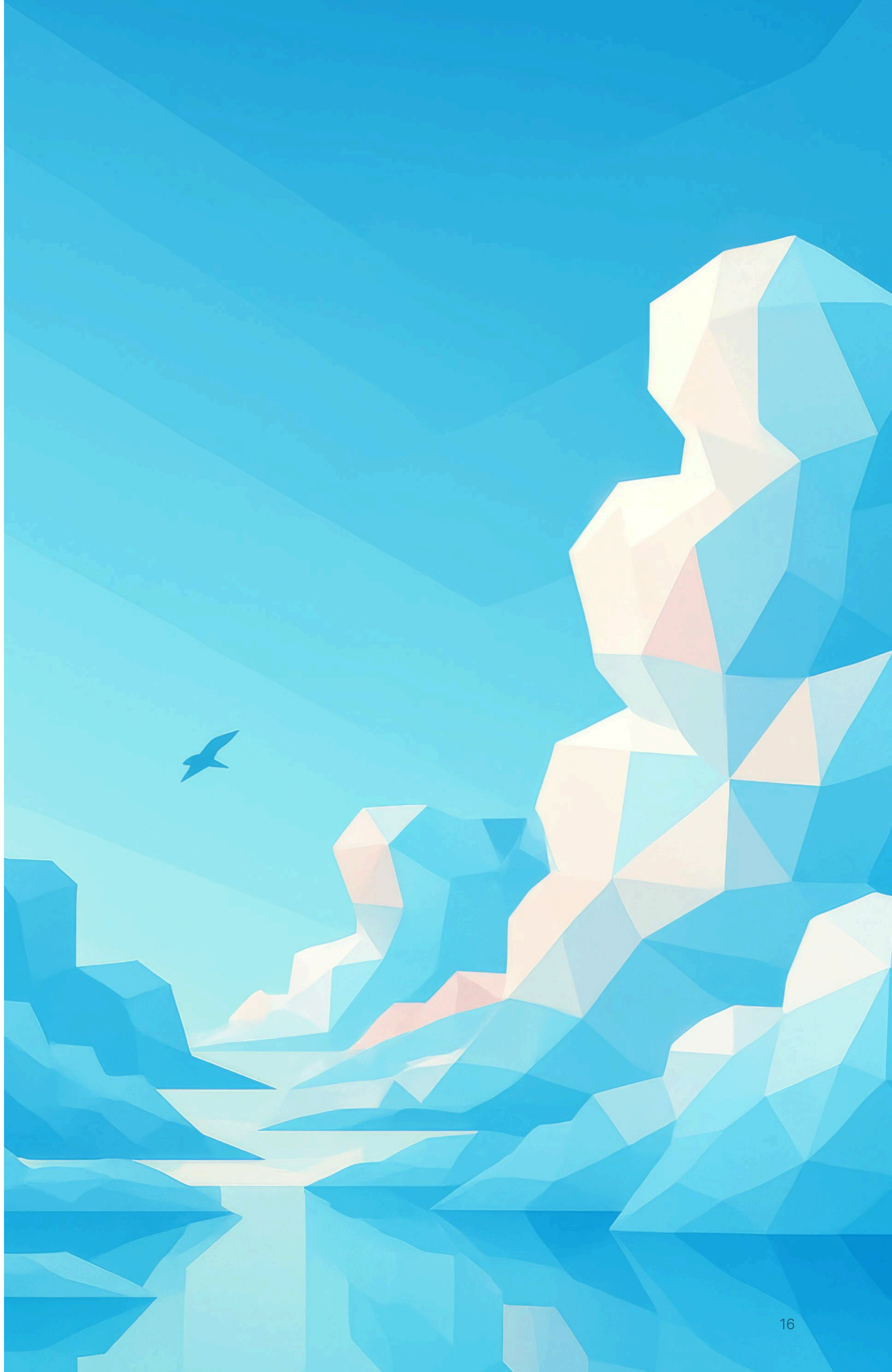
The rapid acceleration of AI adoption is transforming observability from a nice-to-have into a

# BUSINESS-CRITICAL COMPETITIVE ADVANTAGE

that separates market leaders from laggards across Asia Pacific.

Despite persistent barriers, observability's impact is undeniable in delivering clear personal and organisational benefits alongside strong ROI.

Observability evidently delivers value to Asia Pacific organisations. While each country's profile varies, the overall picture is of a region ready to use observability to reduce downtime, increase engineering efficiency, achieve business goals, and improve customer experience.



## ABOUT ETR

ETR is a technology market research firm that leverages proprietary data from its targeted ITDM community to deliver actionable insights about spending intentions and industry trends. Since 2010, ETR has worked diligently at achieving one goal: eliminating the need for opinions in enterprise research, which are typically formed from incomplete, biased, and statistically insignificant data. The ETR community of ITDMs is uniquely positioned to provide best-in-class customer/evaluator perspectives. Its proprietary data and insights from this community empower institutional investors, technology companies, and ITDMs to navigate the complex enterprise technology landscape amid an expanding marketplace.

## ABOUT NEW RELIC

The New Relic Intelligent Observability Platform helps businesses eliminate interruptions in digital experiences. New Relic is the only platform to unify and pair telemetry data to provide clarity over the entire digital estate. We move problem solving past proactive to predictive by processing the right data at the right time to maximize value and control costs. That's why businesses around the world—including Adidas Runtastic, American Red Cross, Domino's, GoTo Group, Ryanair, Topgolf, and William Hill—run on New Relic to drive innovation, improve reliability, and deliver exceptional customer experiences to fuel growth.

## ABOUT THIS REPORT

All data in this report are derived from a survey as part of our research and work in publishing the 2025 Observability Forecast report. Asia Pacific comprised 575 (or 34%) of the total respondents. All dollar figures are reflected in USD.